GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2514
ANSWERED ON:18.03.2005
LOAN & GRANT PROVISION TO MAHARASHTRA
Bishnoi Shri Jaswant Singh;Kalmadi Shri Suresh

Will the Minister of FINANCE be pleased to state:

(a) Whether any amount has been provided by the Union Government to the States particularly Maharashtra as loan and grants during the Ninth Five Year Plan ;

(b) If so, the details thereof, State-wise ;

(c) Whether any State had urged upon the Union Government to enhance the amounts of grants during the Tenth Five Year Plan ;

(d) If so, the details and the decision taken in this regard; and

(e) The basis of providing loans to States ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a)&(b) : A statement showing the loan & grant provided as Central assistance to the State governments including Maharashtra, during the Ninth Five Year Plan is enclosed at Annex-I.

(c)&(d) : States have been demanding larger grants component. Grant assistance to States went up from Rs. 16272.79 crores in 2001-02, the last year of Ninth Plan to Rs. 22212.48 crore in Financial Year 2003-04. Government of India has decided to provide Central Assistance only in grant form from Financial Year 2005-06 accepting recommendation of Twelfth Finance Commission in this respect.

(e) : Central Assistance for financing the State Annual Plan has been disbursed upto 2004-05 in the loan grant ratio of 10:90 to special Category States and 70:30 to Non- special Category States, based on decision of National Development Council.